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## Fifth Committee

**Summary record of the 24th meeting**
Held at Headquarters, New York, on Wednesday, 15 December 2010, at 3 p.m.

*Chair:* Mr. Rosenthal ..... (Guatemala)
*Chairman of the Advisory Committee on Administrative and Budgetary Questions*: Ms. McLurg

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*Proposed programme budget outline for the biennium 2012-2013* (*continued*)

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*The meeting was called to order at 3.05 p.m.*

**Agenda item 128: Review of the efficiency of the administrative and financial functioning of the United Nations** (*continued*)

*Proposed programme budget outline for the biennium 2012-2013* (*continued*) (A/65/560 and Corr.1 and A/65/611)

1. **Mr. Melrose** (United States of America) said that the Secretary-General and the staff of the Office of Programme Planning, Budget and Accounts were to be commended for the timely submission and comprehensiveness of the Secretary-General's report on the proposed programme budget outline for the biennium 2012-2013 (A/65/560 and Corr.1). It was the responsibility of Member States to provide sufficient resources to enable the United Nations to achieve its mandates. Nevertheless, the Committee should review the assumptions made in preparing the outline and the resources necessary for the Organization to achieve its established objectives. The proposed budget level of $5.46 billion for 2012-2013 represented an increase of 5.8 per cent over the 2010-2011 level. However, that amount did not include requirements carried over from the current biennium for proposals on which the General Assembly had not yet taken action. It was necessary to adopt a responsible budgetary framework that was sustainable by Member States, which were accountable to their taxpayers. Budget increases could not be assumed to be the normal order of business. He urged the Secretary-General to prioritize expenditures, reduce costs, capture efficiencies and offset new programme costs by downsizing or eliminating programmes.

2. Greater budgetary discipline was needed throughout the biennium, meaning that the introduction of new budget initiatives during the budget cycle must be minimized. While unforeseen contingencies and opportunities might arise, it was too often the case that mid-cycle additions could have been foreseen and addressed at the beginning of the cycle. Member States should question whether the resources under the 2010-2011 programme budget should be carried over automatically. He wondered whether the Secretariat had reviewed the assumptions used in determining the resources necessary to continue mandates authorized by the General Assembly.

3. It appeared that insufficient efforts had been made to streamline and prioritize United Nations operations. He wished to know whether the detailed review of programme outputs referred to in paragraph 18 of the report had been carried out and whether it had affected the total amount of the proposed budget. His delegation concurred with the Advisory Committee that it was premature to conclude that additional resources of $81 million would be required for new or expanded activities in 2012-2013. He wondered what efforts had been made to offset those new programme costs by downsizing or eliminating less productive and non-essential programmes.

4. It was in the interest of all Member States to ensure that the United Nations achieved its mandates effectively and affordably. His delegation would seek the approval of a budget outline that was prudent and responsible while also meeting the Organization's needs.

5. **Ms. Sánchez Lorenzo** (Cuba) said that the introduction of the reports currently before the Committee in the last week of its work during the main part of the session was unacceptable.

6. It was striking that the change in resources proposed for the biennium 2012-2013 under international cooperation for development and regional cooperation for development was only 0.7 per cent, meaning that those budget parts were among the ones with the lowest levels of growth from the current biennium. Her delegation was also concerned at the proposal to maintain the Development Account at its current level of $23.7 million, which was far lower than the agreed level of $200 million. The Secretariat should propose mechanisms for financing the Account, particularly if savings from efficiency measures were foreseen. During the current session the Assembly had been informed of various initiatives that involved savings, but no mention had been made of the shortfall in the financing of the Development Account. In contrast, an increase of $240.2 million was proposed in the financing of special political missions, for a total of $1,240.2 million. The growth in resources for such missions represented 81 per cent of all additional requirements proposed by the Secretary-General in the budget outline. It was sad to see how United Nations activities to provide the social and economic development assistance needed by developing countries had been sacrificed over the years.

7. Her delegation drew attention to the recommendation set out in paragraph 5 of the Advisory Committee's report (A/65/611): while it agreed that the Secretary-General should continue to review programme outputs, that recommendation suggested a veiled intention to revive the controversial mandate review process with a view to making budget cuts. Mandate review had reached a deadlock after three years of intense deliberations precisely because it had been impossible to determine which programmes were the most important.

8. While her delegation concurred with the Advisory Committee that it was premature to provide a specific estimate of additional requirements for the biennium 2012-2013, it welcomed the Secretary-General's effort to anticipate the need for additional financing for the activities described in paragraphs 9 to 13 of his report (A/65/560 and Corr.1). The Advisory Committee appeared to have focused on the budget increases without examining the merits of each proposal. The level of the proposed programme budget would ultimately be based on the requirements for mandates approved by the General Assembly. Those proposals should be examined as a whole when the Assembly considered the proposed programme budget.

9. The budget process should not be used as a mechanism for making budget cuts or advancing proposals that had not been approved by intergovernmental bodies. She drew attention to the General Assembly's request in its resolution 63/266 that the preliminary estimates for the proposed programme budget should include requirements under discussion by the General Assembly. Lastly, she reaffirmed the respective roles of the Fifth Committee, the Committee for Programme and Coordination and the Advisory Committee on Administrative and Budgetary Questions in the budget process.

10. **Ms. Berlanga** (Mexico) said that it was unacceptable that the matter currently before the Committee had been introduced so late in the session.

11. To deal with the impact of the international financial crisis, Mexico had imposed public spending cuts and budgetary discipline that would apply to all of its national and international financial commitments. She was therefore dismayed to see that the proposed budget outline for 2012-2013 once again showed a significant increase of 5.8 per cent in the Organization's budgetary requirements, not including additions to the budget arising from decisions yet to be taken by the Assembly.

12. It was unfortunate that, of the proposed $297.1 million budget increase, $240.2 million related to special political missions, as that amount was likely to rise owing to the unpredictability of the requirements for such missions. Her delegation might therefore consider the suggestion in the Secretary-General's report (A/65/560 and Corr.1) that the Assembly should give guidance on the treatment of special political missions under the regular budget procedures for estimating requirements in the budget outline and subsequent programme budgets. That possibility could be considered along with other options for the financing of such missions in order to ease the budgetary burden they placed on Member States.

13. She urged the Secretariat to continue to seek savings and efficiencies while also using existing resources to absorb emerging requirements to the extent possible.

*The meeting rose at 3.25 p.m.*